

DECLARATION OF GEORGE D. LILLY

I am the President of SJL Communications, Inc. ("SJL"). I am submitting this declaration in connection with the Comments of SJL in the Further Notice of Proposed Rulemaking, MM Docket No. 94-150, FCC 96-436 (rel. Nov. 7, 1996) and the Second Further Notice of Proposed Rulemaking, MM Docket No. 91-221, FCC 96-438 (rel. Nov. 7, 1996).

An entity affiliated with SJL owns and operates WICU-TV, Erie, Pennsylvania ("WICU"). WICU was acquired by this entity on August 7, 1996. In addition, an entity affiliated with SJL provides sales and programming services to WFXP-TV, Erie, Pennsylvania ("WFXP"), pursuant to a Time Brokerage Agreement (the "Erie TBA") with the licensee of that station. This entity began providing these services on August 16, 1996. WFXP began operations in 1986 as a low-power television station, but was recently converted to a full-service station. WICU is affiliated with the NBC network, and WFXP is affiliated with the Fox network. The unaudited financial information for each of WICU and WFXP for 1995 presented in Exhibit 1 to the Comments is true and accurate, to the best of my knowledge, in all material respects.

Prior to the Erie TBA, employees of WFXP utilized an antiquated vax computer system and several desktop computers, but had no station-specific software other than old versions of Nielsen-created software and software created by staff members. Furthermore, no formal training programs for employees of WFXP were in place.

Since the commencement of the Erie TBA, SJL has been able to provide access for WFXP employees to a state-of-the-art Columbine traffic system and formal computer training programs.

Prior to the Erie TBA, the production and playback equipment used by WFXP was out of date; as an example, the station used a 1975-vintage, 3/4" tape system. Equipment used to create local programming and commercials was inferior to that of other stations in the market. Most of the equipment used in the operation of WFXP was in desperate need of repair. WFXP had its own studio facility; however, the equipment contained there was extremely low grade and near the end of its useful life, and used to produce programming only once every two weeks.

Since the commencement of the Erie TBA, SJL has upgraded this equipment. SJL has replaced the station's old tape system with ten Sony Betacam videotape machines utilizing a 1/2" tape system with an automated playback system. SJL has acquired ten DX-brand satellite receivers to replace the consumer-level equipment that was previously used at WFXP. SJL has performed extensive repair or maintenance on much of the equipment not replaced at WFXP. To date, this effort has cost in excess of \$750,000. SJL has also provided WFXP with access to its local programming facilities at WICU.

Prior to the Erie TBA, no local news programming created by WFXP was presented on the station. Similarly, no local weather or sports programming was presented on WFXP. For a short time, WFXP replayed from 7:00 - 7:30 p.m. on weeknights the local evening

news previously broadcast from 6:00 - 6:30 p.m. on WSEE, the local CBS-affiliate. This project lasted six months.

By utilizing a portion of the news department from WICU, SJL plans to premier a new, daily 10:00 p.m. local news program on WFXP. SJL expects that this effort will debut in March 1997. This program will be the only 10:00 p.m. news program in Erie and would be the earliest late-evening news program broadcast by any local station. This program will broadcast local weather and sports information, and have access to both the Associated Press and Fox network news services. SJL will access its WICU meteorological department in producing the WFXP weather programming. SJL also plans to debut a local sports program on Saturdays that focuses on local high school and college sports.

A prior licensee of WFXP formed the "Fox Kid's Club," a local children's membership club that allowed for participation in on-air contests created or participated in by WFXP. At its height, this club had a local membership of approximately 10,000 members; however, immediately prior to the commencement of the Erie TBA, it had decreased to 7,000 members, due in large part to the elimination of the dedicated coordinator position by the prior licensee. The tasks of this employee had been absorbed by the promotions director of WFXP. Since there was only one such promotions employee, who had other significant tasks to handle, efforts on the Fox Kid's Club dwindled. SJL intends to increase the resources that are focused on the Fox Kid's Club effort.


SJL plans to consolidate the studio facilities of WFXP and WICU in April 1997. SJL has consolidated or intends to consolidate certain other operating efforts of the two stations, including a single programming director, business manager, and creative services department. These consolidations will allow SJL to take advantage of operating efficiencies that will permit it to invest significantly more in the programming content of WFXP.

FROM LATHAM & WATKINS WASH. DC.

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I hereby declare under penalty of perjury that the foregoing statements are true and correct to the best of my knowledge and belief.

Date : February 7, 1997



George D. Lilly

EXHIBIT #2

INCOME STATEMENTS (Unaudited)

Great Lakes Communications, Inc. (WICU-TV) -- Erie Broadcasting, Inc. (WFXP-TV)

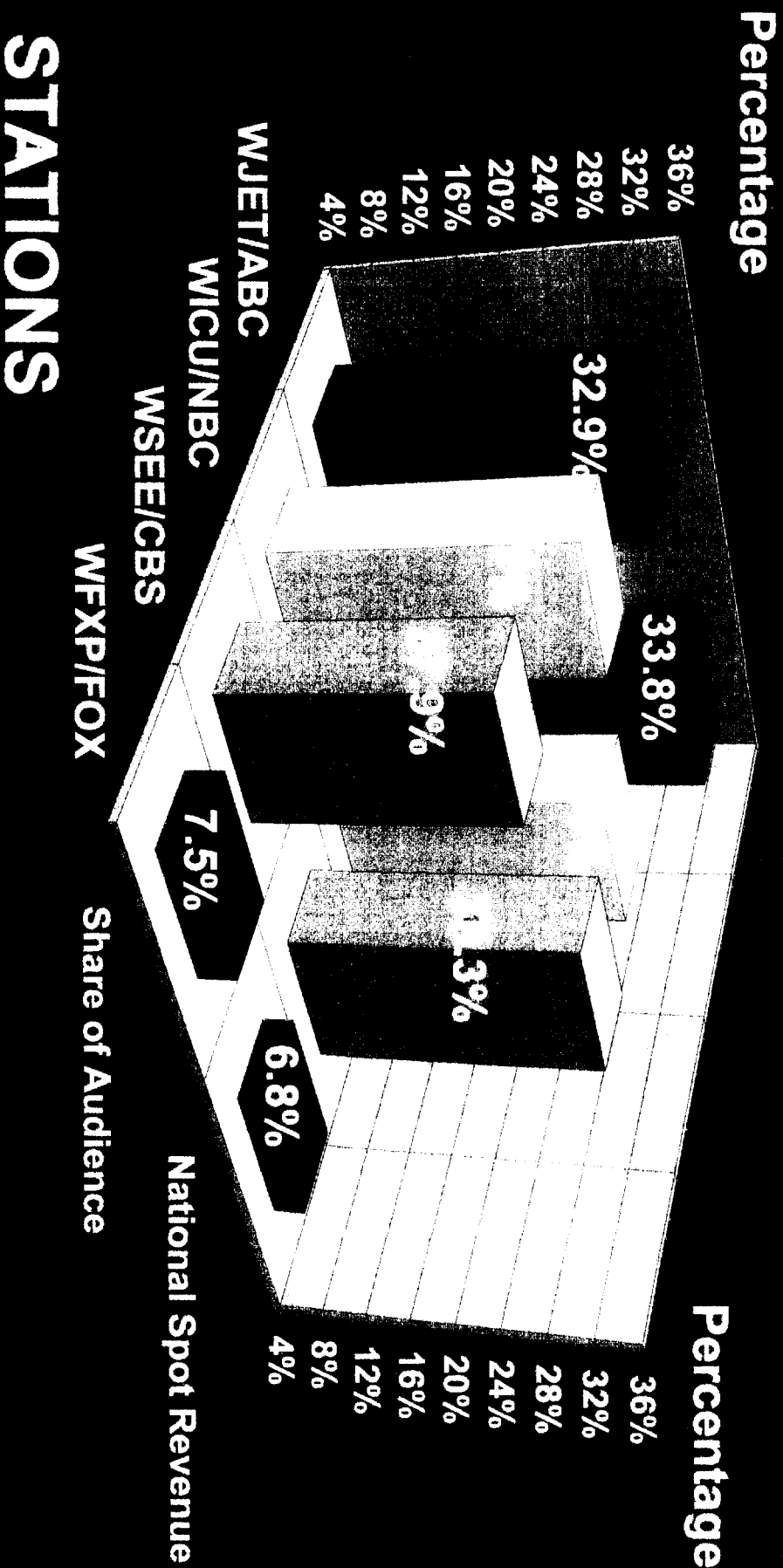
Revenue	WICU-TV For Fiscal Year Ended 5/31/96	WFXP-TV For Fiscal Year Ended 12/31/95	Total
Network Revenue	\$843,968	\$0	\$843,968
National Revenue	1,561,690	0	1,561,690
Local Revenue	2,694,116	0	2,694,116
Miscellaneous Revenue	85,760	0	85,760
Gross Revenue	\$5,185,534	\$0	\$5,185,534
Less: Agency & Rep.	678,069	0	678,069
Net Revenue	\$4,507,465	\$1,350,279	\$5,857,744
Operating Expense			
Engineering	\$362,416	\$0	\$362,416
News	1,576,368	0	1,576,368
Sales	745,196	0	745,196
Program & Production	295,040	0	295,040
Program Amortization	223,305	0	223,305
General & Administrative	968,846	1,076,149	2,044,995
Depreciation	218,309	141,916	360,225
Operating Expense	\$4,389,480	\$1,218,065	\$5,607,545
Operating Income (Loss)	\$117,985	\$132,214	\$250,199
Other Income			
Interest Income	\$25,694	\$5,970	\$31,664
Other Expense			
Interest Expense	(10)	48,353	48,343
Net Income (Loss) Before Tax	\$143,689	\$89,831	\$233,520
State & Federal Income Tax	48,854	0	48,854
Net Income After Tax	\$94,835	\$89,831	\$184,666

Both statements prior to involvement of SJL. No audited financial statements were prepared by either company.

Erie Broadcasting, Inc. (WFXP-TV) did not break out revenue by sales category nor expenses by department.

Capital Expenditure disbursements for these periods were \$62,494 for Great Lakes Communications, Inc. and \$287,607 for Erie Broadcasting, Inc.

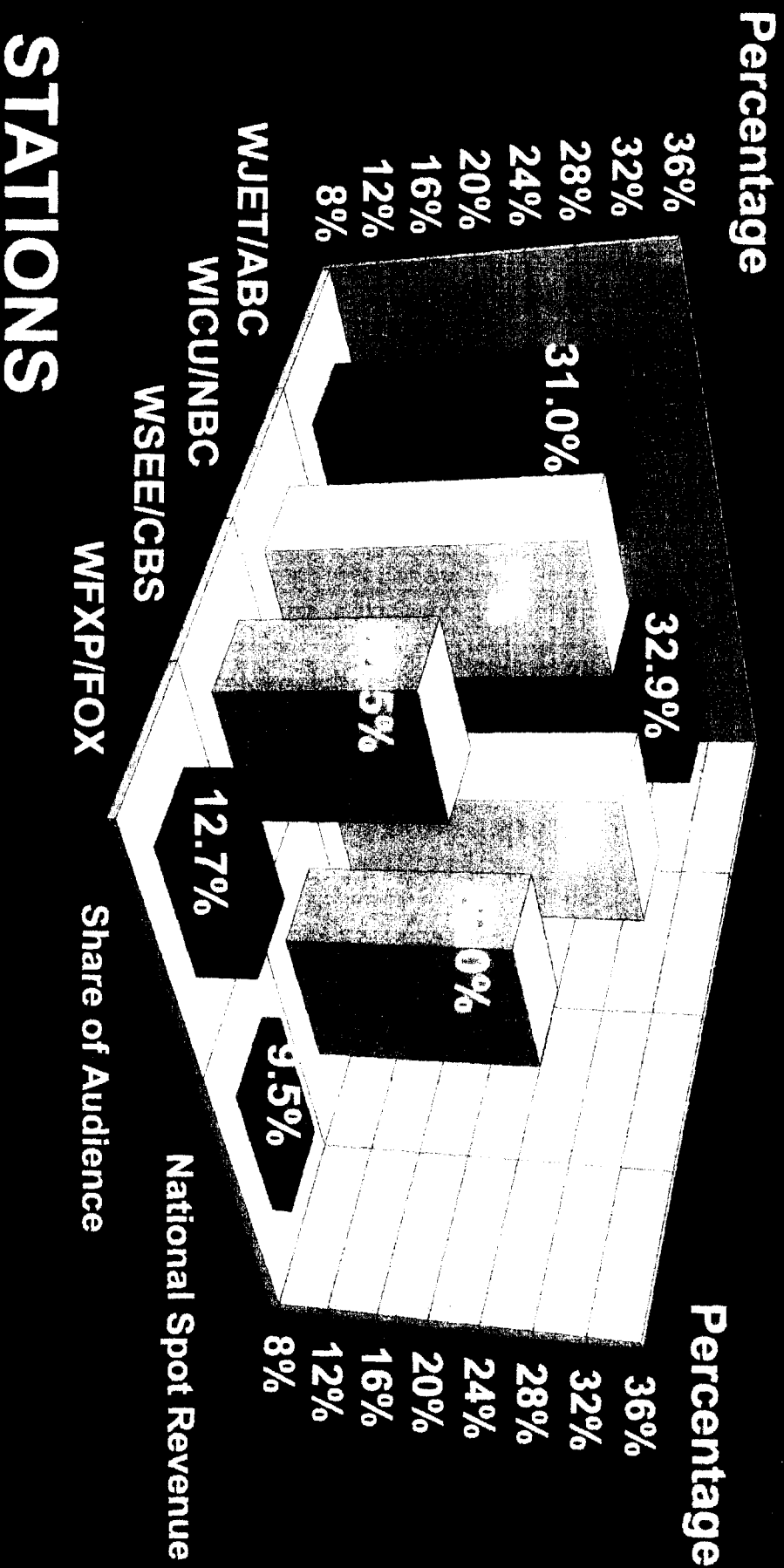
ERIE, PENNSYLVANIA TELEVISION MARKET 1995 AUDIENCE AND REVENUE SHARES



Source: NSI/Katz Television

ERIE, PENNSYLVANIA TELEVISION MARKET

1996 AUDIENCE AND REVENUE SHARES



Source: NSI/Katz Television

ERIE PA 7AM-1AM
UNIVERSITY BOOKS

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WJFF TV
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